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26 January 1950

MEMORANDUM

TO : Budget Officer  
General Counsel

THROUGH: Chief, S S S

FROM : Finance Division

SUBJECT: Reduced Rate Round-trip Tickets Between the US and Foreign Countries

1. Paragraphs 9, 16, and 49 of the Standardized Government Travel Regulations, as interpreted by sundry decisions of the Comptroller General, require a traveler to procure reduced rate round-trip tickets, whenever possible, in order to reduce transportation costs borne by the Government to a minimum. In the event a traveler fails to effect available economies by this manner, he is not reimbursed or allowed as a travel expense the excess amounts paid for transportation.

2. The Finance Division has been interpreting and applying this requirement in what it believed was the normal Government method and Agency policy. We have recently, however, begun to question the equity and desirability of our practices under certain circumstances. If these current views are valid, and if technical legal requirements do not necessitate continuation of our present practices under all circumstances, a review of Agency policy is requested with a view toward obtaining a more lenient policy which, we believe, will be to the benefit of both the Agency and employees.

3. The circumstances involved are those where an employee is traveling between the United States and a foreign country on temporary duty or home leave. In the event an employee travels by sea, no reduced round-trip fares are available, so the problem is non-existent. However, if the employee travels by air, savings up to 40% may be available by procuring round-trip tickets. Accordingly, if an employee travels both ways by air, but fails to purchase a reduced-rate round-trip ticket, the Government has been put to increased transportation expense. Under these circumstances, the employee is held responsible for the increased cost.

4. The above example may appear reasonable and proper when casually considered; however, the following anomaly appears frequently. A traveler returning from an overseas post by sea transportation can return to his foreign post by air without incurring any penalty. This is by reason of the fact that there are no savings on a round-trip boat ticket and because

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air transportation is generally cheaper than sea transportation. Conversely, if the traveler commences the round-trip journey by air, but elects to return by boat, he is held responsible for the failure to effect the round-trip air economy possible, and is also charged for excess travel time, which may be involved. These penalties are so costly as to make it almost mandatory that the average employee complete his journey by the original mode of travel.

5. This situation contains sufficient inequities and inconsistencies effecting both the employee and the Government to warrant review of current Agency procedures, its legal position and policy. The following probabilities appear to exist:

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- a. The Agency is actually encouraging a material loss of employees' services for unnecessarily lengthy periods of travel by inducing employees to travel by sea in lieu of more rapid air travel.
- b. Concurrently with the above, the Agency is incurring unnecessary expenses in the form of per diems for employees and dependents.
- c. The Agency is unnecessarily and inequitably penalizing certain of its employees financially.

6. We believe that this situation can be avoided, and recommend a review of legal, procedural and policy aspects toward this end. To indicate the possible loop-holes by which this situation might be avoided, certain legal questions are set forth below:

- a. Does the requirement that reduced round-trip tickets be procured in order that travel will be by the "most economical route" apply to air travel to foreign countries, since trans-ocean air travel is, perhaps, not an accepted Government "usually traveled route" and reduced fare round-trip sea tickets are not procurable? Does not a traveler legally have his option as to mode of travel for each leg of a journey so extensive as trans-ocean travel to a foreign country?

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- b. Does the election of air travel on the initial leg of a round trip between the U. S. and a foreign country irrevocably establish the mode of travel for the return trip for purposes of establishing the "most economical route"?

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- c. Could the Agency legally, in recognition of the obvious benefits to the Government in the form of savings in transportation expenses and employee services, waive all requirements for the purchase of round-trip air tickets to foreign countries where the alternate mode of travel is by sea?

- d. Could the Agency, in specific individual travel orders,

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authorize initial travel by air and the return trip by sea in recognition of the actual benefits accruing to the Agency through the use of air travel facilities?

7. An incidental factor which might be considered in studying this problem is the common belief that a Government employee cannot be required to fly on official travel. If there is any legal basis for this, does the fact that an employee voluntarily flies across the ocean in September, for example, commit him for cost determination purposes to complete his journey by air, perhaps several months later during a season when air travel might not be considered nearly so safe?

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8. A second very important factor is that Agency officials directing foreign operations appear to have firm conviction that travel by air, round-trip or one-way, either leg of the journey is highly desirable, as it reduces the period of absence from the post of duty. The accumulative savings in employees' services range from 3 to 20 days for just one way travel by air and is currently the equivalent of from two to ten additional employees per annum. Aside from such generalizations, it is manifestly desirable to reduce the period of absence, since temporary replacements at foreign posts cannot normally be provided.

9. It is hoped that a favorable solution can be reached, as we believe it would remedy some patent inequities between employees who initially travel by boat and return by air, and those who initially travel by air and return by boat. Of equal importance is the probability that a great many employees currently traveling exclusively by boat may be induced to return to the U. S. by air to reduce their lengthy absences from their overseas posts.

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Acting Chief, Finance Division

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